

## **PART 2**

### **INTRODUCTION**

# WASHINGTON STATE FERRIES

## NEW 130 – AUTO FERRIES DESIGN AND BUILD CONTRACT

### INTRODUCTION

#### 1. SCOPE

Washington State Ferries, a division of the Washington State Department of Transportation (hereinafter called "WSF"), issues this modified Request For Proposals (RFP) for the following described project:

A Contract to design and build up to four (4) new auto ferries, through use of a modified RFP process. Under the RFP, selected shipbuilders and WSF will engage in a design and build partnership for the new auto ferries. The ferries will have capacities of 130 autos and 1202 passengers and crew. The vessels must be built in the state of Washington.

RFP Volume 1A is issued to provide general information about the RFP and to provide prequalification information to interested parties. Additional RFP Volumes are expected to be issued in the Spring of 2004. All dates are subject to change.

The vessel delivery dates<sup>1</sup> will be as follows:

#### VESSEL

#### DELIVERY DATE

1 <sup>st</sup> :	Twenty-nine (29) months after commencement of Contract.
2 <sup>nd</sup> :	Thirty-six (36) months after commencement of Contract.
3 <sup>rd</sup> :	Forty-three (43) months after commencement of Contract.
4 <sup>th</sup> :	Fifty (50) months after commencement of Contract <sup>2</sup> .

<sup>1</sup> Proposer may improve on the Delivery Dates pending WSF cash flow position.

<sup>2</sup> A fourth vessel has been approved by the Washington state legislature for the 2011-2013 Biennium. In the event that, prior to submission of bids for the Construction Contract, the legislature advances the start date of a 4<sup>th</sup> vessel to the 2007-2009 Biennium, the Delivery Date for a 4<sup>th</sup> vessel will be as specified above.

1  
2 The vessels shall hereinafter be called "Vessel(s)", "Ferry" or "Ferries". Additionally,  
3 as used in this RFP, the word "shipbuilder(s)" shall mean the same as "shipyard(s)"  
4 unless expressly stated otherwise. In no event shall singular or plural use of the terms  
5 be interpreted contrary to the intent and scope of this project.  
6

## 7 8 **2. OVERVIEW**

### 9 10 **A. Description of the Design and Build Partnership**

11  
12 The design and build partnership between the shipbuilders and WSF involves  
13 a process where the shipbuilders design the vessels and develop specifications  
14 and drawings for construction of the vessels in accordance with Outline  
15 Specifications. This is accomplished during Phase II (Development of  
16 Technical Proposals by shipyards selected by WSF). Throughout Phase II,  
17 WSF will periodically review and critique the Technical Proposals under  
18 development by the shipyards. WSF will advise of changes to the work as  
19 necessary to effect conformance to the Outline Specifications. In addition,  
20 WSF may make changes to the Outline Specifications at any time during  
21 Phase I and/or Phase II to ensure that the designs, specifications and drawings  
22 meet the needs of WSF. Any such changes will be made through issuance of  
23 RFP Addenda.  
24

25 The proposers' final Technical Proposals approved by WSF will consist of  
26 designs, specifications and drawings developed to meet WSF requirements as  
27 stated in the Outline Specifications. Proposers are free (and are encouraged)  
28 to develop designs that are consistent with their facilities, processes,  
29 procedures and experience while ensuring adherence to the Outline  
30 Specifications.  
31

32 Following the proposers' submittal of final designs and specifications  
33 approved by WSF, each proposer will be requested to submit bids for the  
34 Construction Contract, based on its approved Technical Proposal and the RFP.  
35 The successful proposer will be the responsive and responsible proposer that  
36 offers the lowest total bid price for all vessels.  
37

### 38 **B. Modified RFP Process**

39  
40 WSF is utilizing a modified Request For Proposals (RFP) solicitation process  
41 for this project, pursuant to the project legislation, RCW 47.60.810 *et seq.*, a  
42 copy of which is attached hereto and incorporated herein as Exhibit "A". The  
43 process involves three phases, as follows:  
44

## **Phase I**

Phase I consists of: (i) the issuance of RFP Volume IA; (ii) the prequalification process for interested parties; and (iii) the evaluation and selection of prequalified proposers to participate in subsequent development of Technical Proposals in Phase II. Technical Proposals will consist of the design, specifications and drawings for the new vessels based on the RFP Outline Specifications.

The **Outline Specifications** provide WSF's requirements for the vessels and may include notional line drawings depicting hull geometry that will interface with WSF's terminal facilities.

The **Owner's Model Design** is an illustrative example of a partial vessel design that meets the requirements of the Outline Specifications. It is non-contractual documentation of vessel design prepared by WSF to assist proposers in development of their Technical Proposals, if desired. The Owner's Model Design includes technical descriptions and drawings, and depicts one partial design solution to the Outline Specifications. Because it is a non-contractual informational document, WSF does not warrant the Owner's Model Design in any manner whatsoever.

Submission of a proposal in Phase I in response to this RFP signifies intent to participate in development of Technical Proposals in Phase II, and bid on the vessel Construction Contract in Phase III.

Selection of proposers for Phase II: Selection criteria are shown in RFP Volume IB which will be issued at a later date, as discussed above.

## **Phase II**

Phase II consists of preparation of Technical Proposals in consultation with WSF. The participants in Phase II will be those best qualified proposers selected by WSF in Phase I.

## **Phase III**

Phase III consists of the submittal and evaluation of bids for the Construction Contract; and award of the Construction Contract to the responsible and responsive proposer that offers the lowest Total Bid Price for up to four (4) vessels.

Pursuant to RCW 47.60.820(8), WSF will pay a preset, non-negotiable honorarium to each unsuccessful proposer in Phase III as reimbursement for a portion of its Technical Proposal preparation cost. The fixed amount of the

1                   honorary will be stated in RFP Volume IB, to be issued at a later date in  
2                   accordance with the RFP Schedule. Payment of the honorary will be made  
3                   following commencement of the Construction Contract.  
4  
5

6     **3.     ESTIMATED PRICE RANGE FOR THE CONTRACT**  
7

8                   The estimated price range for the shipyard Contract for all four (4) vessels is  
9                   \$183,000,000 to \$223,000,000.  
10

11  
12     **4.     VESSEL CONSTRUCTION AND VESSEL WARRANTY WORK**  
13     **IN WASHINGTON STATE**  
14

15                   As specified in RCW 47.60.814, the vessels are required to be constructed within the  
16                   boundaries of the state of Washington. As specified in the statute, equipment  
17                   furnished by WSF and components, products, and systems that are standard  
18                   manufactured items are not subject to the in-state requirement. For purposes of this  
19                   in-state requirement, "constructed" means the fabrication, by the joining together by  
20                   welding or fastening of all steel parts from which the total vessel is constructed  
21                   including, but not limited to all shell frames, longitudinals, bulkheads, webs, piping  
22                   runs, wire ways and ducting. "Constructed" also means the installation of all  
23                   components and systems including but not limited to equipment and machinery  
24                   castings, electrical, electronics, deck covering, lining, paint and joiner work required  
25                   by the Contract. "Constructed" also means the interconnection of all equipment,  
26                   machinery and services such as piping, wiring and ducting.  
27

28                   As further specified in RCW 47.60.814, all warranty work on the vessels must be  
29                   performed within the boundaries of the state of Washington, insofar as practical.  
30

31  
32     **5.     COMPLIANCE WITH LAWS, RULES AND REGULATIONS**  
33

34                   In constructing the vessels, the Contractor must comply with all applicable laws, rules  
35                   and regulations, including but not limited to those pertaining to the environment,  
36                   worker health and safety, and prevailing wages. Further discussion will be provided  
37                   in RFP Volume III, Contract Provisions.  
38  
39

1  
2 **6. RFP REQUIREMENTS**  
3

4 This RFP package includes documents which fully detail the modified RFP process  
5 and requirements for proposals. The RFP will require each proposer to:  
6

- 7 A. Prequalify in accordance with RCW 47.60.680 *et seq.* Chapter 468-310 WAC  
8 and any modifications thereto as provided for in RCW 47.60.816;  
9  
10 B. Submit the requested information in the Phase I proposal for evaluation and  
11 selection of the best qualified proposers to participate in Phase II;  
12  
13 C. State its intent to participate in the development of Technical Proposals in  
14 Phase II, if selected; and  
15  
16 D. State its intent to enter into a Construction Contract with WSF if it is the  
17 successful proposer to construct the vessels in Phase III.  
18  
19

20 **7. SELECTION PROCESS**  
21

22 All interested parties should be aware that the modified RFP provides for two  
23 separate (but related) selection processes as specified in the project legislation, RCW  
24 47.60.810 *et seq.* and summarized as follows:  
25

- 26 A. The selection process in Phase I is to select proposers (shipyards) to  
27 participate in the development of Technical Proposals in Phase II. Detailed  
28 procedures pertaining to this selection, including selection criteria, will be in  
29 that portion of the RFP to be issued at a later date, as discussed above. In  
30 addition, in accordance with RCW 47.60.814, RFP Volume IB will state the  
31 maximum number of proposers that may be selected in Phase I for  
32 development of Technical Proposals in Phase II.  
33

34 WSF will execute Memoranda of Agreement with the proposers selected for  
35 development of Technical Proposals in Phase II.  
36

- 37 B. The selection process in Phase III is to select the responsible and responsive  
38 proposer that offers the lowest Total Bid Price for up to four (4) vessels.  
39 Details of the bid submittal and evaluation process will be proved in that  
40 portion of the RFP to be issued at a later date.  
41  
42

1  
2 **8. FINANCING AGREEMENTS**  
3

4 Engrossed Substitute House Bill (ESHB) 1163 directed that a Report be submitted to  
5 transportation committees of the legislature by December 1, 2004, on the options,  
6 strategies, and recommendations for sale/lease-back agreements on existing ferry  
7 boats as well as future ferry boat purchases. The Report has not been prepared and  
8 submitted as of the date of this RFP. However, any action resulting from the Report  
9 (when submitted) that affects this project will be specified in an RFP Addendum.  
10

11  
12 **9. MINORITY / WOMEN BUSINESS ENTERPRISES (M/WBEs)**  
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14 Certified Minority/Women Business Enterprises (M/WBEs) are encouraged to  
15 participate in the RFP process. The Construction Contract (Phase III) may include a  
16 voluntary M/WBE participation goal. Further details will be provided in RFP  
17 Volume IB to be issued at a later date.  
18

19 There is no M/WBE participation goal for the Technical Proposal (Phase II)  
20 development portion of the project.  
21

22  
23 **10. MAGNETIC MEDIA**  
24

25 Upon written request, WSF will make available to prospective proposers magnetic  
26 copies (3-1/2" floppy disks or CD-ROM) of the documents included in the RFP  
27 Volumes, except as specified below. Additionally, it is the intent of WSF to provide  
28 RFP documents on the Internet, posted at the WSF web site noted earlier in this RFP  
29 Volume IA.  
30

31 The Financial Proposal Form and the Bond Forms in RFP Volume IB will not be  
32 provided on disk due to WSF's strict control over the issuance of clean "originals" to  
33 prequalified proposers only. All disk and CD-ROM copies will be formatted using  
34 Microsoft Word software.  
35

36 The WSF-issued hard copy of the RFP (including all RFP Addenda) shall be the  
37 official and controlling document for the RFP process. The other media forms are  
38 provided for convenience only. As such, WSF makes no guarantee as to the validity  
39 of information provided on disk, CD ROM or the Internet. A prospective proposer's  
40 use of information provided on these media shall be at its own risk without protest or  
41 any other recourse against WSF.  
42  
43

1  
2 **11. PRE-RFP REPRESENTATIONS**  
3

4 All project information previously provided by WSF to interested parties, whether  
5 verbal or in writing, is superseded by the contents of this RFP and all Addenda  
6 thereto, to the extent of any conflict between such information and the RFP. WSF  
7 shall not be liable to any party for: (i) any prior representations made by WSF  
8 personnel; or (ii) the contents of any preliminary documents issued prior to this RFP.  
9

10  
11 **12. PREPARATION COSTS**  
12

13 WSF shall not be liable to any proposer for its proposal preparation costs or any other  
14 direct or indirect costs arising from a response to this RFP, except for the honorarium  
15 authorized in the project legislation.  
16  
17  
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19  
20

21 ( END )  
22



## **PART 2**

### **EXHIBIT A**

#### **PROJECT LEGISLATION**

## PROJECT LEGISLATION

### RCW 47.60.810 through 47.60.822

#### Title 47 RCW: Public Highways and Transportation

**47.60.810 Design-build ferries—Authorized—phases defined.** (1) The department may purchase new auto ferries through use of a modified request for proposals process whereby the prevailing shipbuilder and the department engage in a design and build partnership for the design and construction of the auto ferries. The process consists of the three phases described in subsection (2) of this section.

(2) The definitions in this subsection apply throughout RCW 47.60.8 12 through 47.60.822.

(a) "Phase one" means the evaluation and selection of proposers to participate in development of technical proposals in phase two.

(b) "Phase two" means the preparation of technical proposals by the selected proposers in consultation with the department.

(c) "Phase three" means the submittal and evaluation of bids, the award of the contract to the successful proposer, and the design and construction of the auto ferries.

[2001 c

226 § 4.]

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.

**47.60.8 12 Design-build ferries—Notice of request for proposals.** To commence the request for proposals process, the department shall publish a notice of its intent once a week for at least two consecutive weeks in at least one trade paper and one other paper, both of general circulation in the state. The notice must contain, but is not limited to, the following information:

(1) The number of auto ferries to be procured, the auto and passenger capacities, the delivery dates, and the estimated price range for the contract;

(2) A statement that a modified request for proposals design and build partnership will be used in the procurement process;

(3) A short summary of the requirements for prequalification of proposers including a statement that prequalification is a prerequisite to submittal of a proposal in phase one; and

(4) An address and telephone number that may be used to obtain a prequalification questionnaire and the request for proposals. [2001 c 226 § 5.]

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.

**47.60.814 Design-build ferries—Issuance of request for proposals.** Subject to legislative appropriation for the procurement of vessels, the department shall issue a request for proposals to interested parties that must include, at least, the following:

(1) Solicitation of a proposal to participate in a design and build partnership with the department to design and construct the auto ferries;

(2) Instructions on the prequalification process and procedures;

(3) A description of the modified request for proposals process. Under this process, the department may modify any component of the request for proposals, including the outline specifications, by addendum at any time before the submittal of bids in phase three;

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### RCW 47.60.810 through 47.60.822

(4) A description of the design and build partnership process to be used for procurement of the vessels;

(5) Outline specifications that provide the requirements for the vessels including, but not limited to, items such as length, beam, displacement, speed, propulsion requirements, capacities for autos and passengers, passenger space characteristics, and crew size. The department will produce notional line drawings depicting hull geometry that will interface with Washington state ferries terminal facilities. Notional lines may be modified in phase two, subject to approval by the department;

(6) Instructions for the development of technical proposals in phase two, and information regarding confidentiality of technical proposals;

(7) The vessel delivery schedule, identification of the port on Puget Sound where delivery must take place, and the location where acceptance trials must be held;

(8) The estimated price range for the contract;

(9) The form and amount of the required bid deposit and contract security;

(10) A copy of the contract that will be signed by the successful proposer;

(11) The date by which proposals in phase one must be received by the department in order to be considered;

(12) A description of information to be submitted in the proposals in phase one concerning each proposer's qualifications, capabilities, and experience;

(13) A statement of the maximum number of proposers that may be selected in phase one for development of technical proposals in phase two;

(14) Criteria that will be used for the phase one selection of proposers to participate in the phase two development of technical proposals;

(15) A description of the process that will be used for the phase three submittal and evaluation of bids, award of the contract, and postaward administrative activities;

(16) A requirement that the contractor comply with all applicable laws, rules, and regulations including but not limited to those pertaining to the environment, worker health and safety, and prevailing wages;

(17) A requirement that the vessels be constructed within the boundaries of the state of Washington except that equipment furnished by the state and components, products, and systems that are standard manufactured items are not subject to the in-state requirement under this subsection. For the purposes of this subsection, "constructed" means the fabrication, by the joining together by welding or fastening of all steel parts from which the total vessel is constructed, including, but not limited to, all shell frames, longitudinals, bulkheads, webs, piping runs, wire ways, and ducting. "Constructed" also means the installation of all components and systems, including, but not limited to, equipment and machinery, castings, electrical, electronics, deck covering, lining, paint, and joiner work required by the contract. "Constructed" also means the interconnection of all equipment, machinery, and services, such as piping, wiring, and ducting; and

(18) A requirement that all warranty work on the vessel must be performed within the boundaries of the state of Washington, insofar as practical. [2001 c 226 § 6.]

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.

**47.60.816 Design-build ferries—Phase one.** Phase one of the request for proposals process consists of evaluation and selection of prequalified proposers to participate in subsequent development of technical proposals in phase two, as follows:

(1) The department shall issue a request for proposals to interested parties.

(2) The request for proposals must require that each proposer prequalify for the contract under chapter 468-310 WAC, except that the department may adopt rules for the financial prequalification of proposers for this specific contract only. The department shall modify the financial prequalification rules in chapter 468-310 WAC in order to maximize competition among financially capable and otherwise qualified proposers. In adopting these rules, the department shall consider factors including, without limitation: (a) Shipyard resources in Washington state; (b) the cost to design and construct multiple vessels under a single contract without options; and (c) the sequenced delivery schedule for the vessels.

(3) The department may use some, or all, of the nonfinancial prequalification factors as part of the evaluation factors in phase one to enable the department to select a limited number of best qualified proposers to participate in development of technical proposals in phase two.

(4) The department shall evaluate submitted proposals in accordance with the selection criteria established in the request for proposals. Selection criteria may include, but are not limited to, the following:

- (a) Shipyard facilities;
- (b) Organization components;
- (c) Design capability;
- (d) Build strategy;
- (e) Experience and past performance;
- (f) Ability to meet vessel delivery dates;
- (g) Projected workload; and
- (h) Expertise of project team and other key personnel.

(5) Upon concluding its evaluation of proposals, the department shall select the best qualified proposers in accordance with the request for proposals. The selected proposers must participate in development of technical proposals. Selection must be made in accordance with the selection criteria stated in the request for proposals. All proposers must be ranked in order of preference as derived from the same selection criteria. [2001 c 226 § 7.]

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.

**47.60.818 Design-build ferries—Phase two.** Phase two of the request for proposals process consists of preparation of technical proposals in consultation with the department, as follows:

(1) The development of technical proposals in compliance with the detailed instructions provided in the request for proposals, including the outline specifications, and any addenda to them. Technical proposals must include the following:

- (a) Design and specifications sufficient to fully depict the ferries' characteristics and identify installed equipment;
- (b) Drawings showing arrangements of equipment and details necessary for the proposer to develop a firm, fixed price bid;

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### RCW 47.60.810 through 47.60.822

- (c) Project schedule including vessel delivery dates; and
- (d) Other appropriate items.

(2) The department shall conduct periodic reviews with each of the selected proposers to consider and critique their designs, drawings, and specifications. These reviews must be held to ensure that technical proposals meet the department's requirements and are responsive to the critiques conducted by the department during the development of technical proposals.

(3) If, as a result of the periodic technical reviews or otherwise, the department determines that it is in the best interests of the department to modify any element of the request for proposals, including the outline specifications, it shall do so by written addenda to the request for proposals.

(4) Proposers must submit final technical proposals for approval that include design, drawings, and specifications at a sufficient level of detail to fully depict the ferries' characteristics and identify installed equipment, and to enable a proposer to deliver a firm, fixed price bid to the department. The department shall reject final technical proposals that modify, fail to conform to, or are not fully responsive to and in compliance with the requirements of the request for proposals, including the outline specifications, as amended by addenda. [2001 c 226 § 8.]

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.

#### **47.60.820 Design-build ferries—Phase three. Phase**

three consists of the submittal and evaluation of bids and the award of the contract to the successful proposer for the final design and construction of the auto ferries, as follows:

(1) The department shall request bids for detailed design and construction of the vessels after completion of the review of technical proposals in phase two. The department will review detailed design drawings in phase three for conformity with the technical proposals submitted in phase two. In no case may the department's review replace the builder's responsibility to deliver a product meeting the phase two technical proposal. The department may only consider bids from selected proposers that have qualified to bid by submitting technical proposals that have been approved by the department.

(2) Each qualified proposer must submit its total bid price for all vessels, including certification that the bid is based upon its approved technical proposal and the request for proposals.

(3) Bids constitute an offer and remain open for ninety days from the date of the bid opening. A deposit in cash, certified check, cashier's check, or surety bond in an amount specified in the request for proposals must accompany each bid and no bid may be considered unless the deposit is enclosed.

(4) The department shall evaluate the submitted bids. Upon completing the bid evaluation, the department may select the responsive and responsible proposer that offers the lowest total bid price for all vessels.

(5) The department may waive informalities in the proposal and bid process, accept a bid from the lowest responsive and responsible proposer, reject any or all bids, republish, and revise or cancel the request for proposals to serve the best interests of the department.

(6) The department may:

(a) Award the contract to the proposer that has been selected as the responsive and responsible proposer that has submitted the lowest total bid price;

(b) If a contract cannot be signed with the apparent successful proposer, award the contract to the next lowest responsive and responsible proposer; or

(c) If necessary, repeat this procedure with each responsive and responsible proposer in order of rank until the list of those proposers has been exhausted.

(7) If the department awards a contract to a proposer under this section, and the proposer fails to enter into the contract and furnish satisfactory contract security as required by chapter 39.08 RCW within twenty days from the date of award, its deposit is forfeited to the state and will be deposited by the state treasurer to the credit of the Puget Sound capital construction account. Upon the execution of a ferry design and construction contract all proposal deposits will be returned.

(8) The department may provide an honorarium to reimburse each unsuccessful phase three proposer for a portion of its technical proposal preparation costs at a preset, fixed amount to be specified in the request for proposals. If the department rejects all bids, the department may provide the honoraria to all phase three proposers that submitted bids. [2001 c 226 § 9.]

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.

## PROJECT LEGISLATION

### RCW 47.60.810 through 47.60.822

**47.60.822 Design-build ferries—Notice to proposers not selected—Appeal.** (1) The department shall immediately notify those proposers that are not selected to participate in development of technical proposals in phase one and those proposers who submit unsuccessful bids in phase three.

(2) The department's decision is conclusive unless an aggrieved proposer files an appeal with the superior court of Thurston county within five days after receiving notice of the department's award decision. The court shall hear any such appeal on the department's administrative record for the project. The court may affirm the decision of the department, or it may reverse or remand the administrative decision if it determines the action of the department was arbitrary and capricious. (2001 c 226 § 10.)

**Findings—Purpose—2001 c 226:** See note following RCW 47.20.780.  
(2002 Ed.)